

employee of the U.S. Forest Service, and held such important posts as Assistant Secretary and director of the Bureau of Land Management.

He was also a highly acclaimed conservationist, one of our nation's most effective environmentalists, spending a year as President of the Wilderness Society.

I have attached Mr. Stoddard's obituary from the Minneapolis Star Tribune for my colleagues' review. It highlights his courage in bringing to the public's attention a matter that was crucial to their health and the health of their children in Minnesota and was repeated many times. The values and integrity that guided his decision and work reflect well upon the purpose of public service and the impact a good man can make.

I applaud Mr. Stoddard and present his model of courage yesterday as a benchmark for the environmentalists and policy making for citizens today and tomorrow.

[From the Star Tribune, Dec. 30, 1997]

CHARLES STODDARD DIES; HE PLAYED KEY  
ROLE IN RESERVE MINING CASE

A CONTROVERSIAL 1968 INTERIOR DEPARTMENT  
STUDY HE HEADED SAID TACONITE TAILINGS  
WERE POLLUTING LAKE SUPERIOR

(By Dean Rebuffoni)

Charles Hatch Stoddard was a besieged man 29 years ago.

As a top regional official of the U.S. Interior Department, Stoddard, who died Thursday at 85, had coordinated a major federal study on the taconite wastes that Reserve Mining Co. of Silver Bay, Minn., was dumping into Lake Superior.

Although the study had just been completed, it hadn't been released to the public.

However, Stoddard had provided copies to Reserve, which quickly went over his head to Interior Secretary Stewart Udall.

The company urged Udall not to release the study, arguing that it was riddled with errors. Some critics suggested that Stoddard, a Democratic political appointee and longtime conservationist, was biased against Reserve.

Reporters were constantly calling Stoddard's office in Duluth, seeking information about the study.

Also, Stoddard knew that he'd have to resign soon from his federal post: Richard Nixon, a Republican with strong political ties to Reserve, was about to be inaugurated as president.

So Stoddard decided to release the study without Udall's approval.

On Jan. 16, 1969, the biggest headline on the front page of the Minneapolis Tribune read: "U.S. Study Finds Taconite Tailings Pollute Superior."

The study, which quickly became known as "the Stoddard Report," made him a hero among conservationists.

Udall, however, told Congress that the study was "a preliminary staff report," a statement that Reserve repeatedly cited in its effort to discredit it.

The study also was attacked by U.S. Rep. John Blatnik, a Duluth Democrat who called it a preliminary report with no official status.

Ultimately, Stoddard was vindicated by the federal courts, which ruled that Reserve was polluting Lake Superior with potentially injurious asbestos-type fibers.

Reserve was fined more than \$1 million and shifted its taconite wastes to an onland disposal site.

Udall eventually retracted his statement, telling the New York Times that the study was an official Interior Department report.

He said his original discrediting of it was prompted by concerns raised by Blatnik, who in 1969 was a powerful politician whose support on many issues was needed by the Interior Department. Blatnik died in 1991.

Udall's recanting also was vindication for Stoddard, who died Thursday at a nursing home in Spooner, Wis. He had suffered from Parkinson's disease for several years.

"Chuck Stoddard was a fearless public servant," said Grant Merritt, a Minnesota conservationist who played a key role in the campaign to end Reserve's discharge into Lake Superior.

"Chuck did his job regardless of the heat he had to take," Merritt said. "The Stoddard Report gave us the scientific basis we needed to seek on-land disposal of Reserve's tailings."

Stoddard was born in Milwaukee in 1912 and earned bachelor's and master's degrees in forestry from the University of Michigan in the 1930s. He later did graduate studies at the University of Wisconsin and at Princeton.

He was a Naval Reserve officer during World War II, and while serving in the South Pacific, he discovered a species of tropical tree that later was named after him: *Mastixiodendron stoddardii*.

He had several stints as a federal employee specializing in conservation issues, including work as a U.S. Forest Service economist in the 1930s.

During the late 1940s and early 1950s, he was a private forestry consultant in Minnesota and Wisconsin and was active in several conservation groups.

From 1955 to 1961, he worked for Resources for the Future, a nonprofit conservation research organization based in Washington, D.C.

Stoddard also was involved in Democratic Party politics, and during the 1960 presidential campaign, he worked first for candidate Hubert Humphrey, then as an adviser to John F. Kennedy on conservation issues.

After Kennedy was elected, Stoddard was named an assistant secretary of the Interior Department and, later, was appointed director of the Bureau of Land Management.

After retiring from federal employment, he served for a year as president of the Wilderness Society.

He wrote numerous reports on environmental issues, often focusing on land-use matters, and was the author or coauthor of three books on forestry and conservation practices.

Shortly after the lawsuit, *United States v. Reserve Mining Co.*, went to trial in 1973, Stoddard encountered the trial judge, Miles Lord, in a hall of the federal courthouse in Minneapolis.

"Do you know me, Judge Lord?" he asked. When Lord said he didn't, Stoddard explained: "I'm the guy who got you into this."

Stoddard is survived by his former wife, Patricia Coulter Stoddard of Duluth; a daughter, Abby Marrier of Milaca, Minn.; four sons: Charles Jr. and Paul, both of St. Paul, and Glenn and Jeffrey, who live in Wisconsin, and five grandchildren.

A private memorial service will be held at Wolf Springs Forest, the Stoddard family's nature preserve near Minong, Wis. The family suggests that memorials go to the Sigurd Olson Institute for Environmental Studies at Northland College in Ashland, Wis.

## THE MEDICARE HOME HEALTH EQUITY ACT OF 1997

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, it is my privilege to introduce today The Medicare Home Health Equity Act of 1997. This legislation will return equity to the Medicare system of reimbursing home health agencies for the valuable care they provide throughout our country.

The Balanced Budget Act of 1997 had the unintended effect of creating an inequity in the way Home Health Agencies are reimbursed for services provided to America's seniors and the chronically ill through Medicare. My legislation will correct this inequity and accomplish the following:

The Medicare Home Health Equity Act removes the IPS penalty on cost-efficiency and levels the playing field. The Interim Payment System (IPS) inadvertently penalizes cost-efficient home health agencies (HHA) by basing 75% of agencies' per patient payment limits in fiscal years (FY's) 1998-99 on their FY 1994 average cost per patient. Because an agency's average cost per patient in FY 1994 is based on the number of visits the agency provided per patient that year, agencies that provided the most visits to patients—regardless of whether the care was medically necessary or not—now have the highest per patient cost limits. As a result, high-cost agencies continue to receive a disproportionate share of Medicare home health dollars. This outcome is the opposite of what Congress sought last year.

The Medicare Home Health Equity Act is budget neutral according to Price Waterhouse. It does not bust the balanced budget agreement reached last year. It also does not jettison the many good steps taken in the Balanced Budget Act to address the very real problems of fraud and abuse in the Medicare home health benefit. However, it does address the one provision that rewards high cost agencies and penalizes low cost agencies.

The Medicare Home Health Equity Act moves Medicare home health reimbursement more quickly to prospective payment by basing payments on national and regional cost data rather than on agency-specific data. Prospective payment will bring Medicare home health expenditures under control by reversing the incentive under cost-reimbursement to maximize patient costs. The incentive for HHAs under prospective payment will be to manage costs efficiently over an episode of care. Prospective payment in hospitals has demonstrated that this can be done while maintaining high quality of health services.

The Medicare Home Health Equity Act recognizes that Medicare home health costs have been managed effectively in 34 states. The average cost per patient in these states is below the national average cost per patient. Agencies in these states should not be penalized by the higher than national average costs experienced in 16 states.

The Medicare Home Health Equity Act will not harm patient care by lowering the per beneficiary cost limit for home health agencies with costs above the 75% national—25% regional cost limit. HCFA data shows little difference among types of home health agencies (e.g. non-profit, for-profit, hospital-based, government-affiliated) in regard to their level of

patient "case-mix"—or level of patients with similar conditions (from minor to severe). Therefore, it is hard to believe that high costs must be protected by the current IPS agency-specific formula when VNAs and other cost-efficient agencies provide high quality care to diverse populations at less than national average costs.

Mr. Speaker, I urge my colleagues to join me in restoring home health care equity by cosponsoring this important legislation.

#### PERSONAL EXPLANATION

### HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KLECZKA. Mr. Speaker, on Wednesday, March 25, 1998, I was granted an Official Leave of Absence to attend a family funeral.

As an elected Representative of Wisconsin's Fourth Congressional District, I have responsibility to my constituents to inform them of the votes from yesterday and to apprise them of how I would have voted.

The following indicates how I would have voted on Rollcall Votes Nos. 68, 70 and 71.

Rollcall No.	Bill No.	Position
68	H.R. 2589 (McCollum Amdt.)	No
70	H.R. 2578 (Pombo Amdt.)	Yes
71	H.R. 2578	Yes

The outcome would have been no different on any of these votes if I had been present.

#### RESTORE FAIRNESS TO MEDICARE'S HOME HEALTH CARE SYSTEM

### HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. SMITH of New Jersey. Mr. Speaker, today I am joining with my good friend and colleague, Rep. MIKE PAPPAS, in introducing legislation to restore fairness and equity to the Health Care Finance Administration's (HCFA's) new Medicare reimbursement program for home health care.

This new Medicare reimbursement program, known as the "Interim Payment System" (IPS), is based on an incomplete and inequitable funding formula which directly jeopardizes home health care agencies and the elderly who serve in my state.

The value of home health care is obvious. All of us intuitively know that enabling our seniors to receive quality, skilled nursing care in their own homes is preferable to other, more costly, sometimes isolated, settings. Senior citizens receive the peace of mind from familiar settings and their loved ones close at hand. And the cost savings to Medicare from proper use of home health care are considerable.

The legislation we have introduced today corrects several flaws contained in the IPS formula and assures fair and reasonable Medicare reimbursement for quality home health care. This bill is a good complement to another legislative effort (H.R. 3108) I am sup-

porting with fellow New Jersey Representative JIM SAXTON. The Pappas-Smith bill is more targeted and limited in scope, focusing on equity issues between home health care agencies, while H.R. 3108 is broader in application and primarily deals with providing more resources to all home health agencies.

One thing that both bills address, however, is the need to reform the IPS. If left unchanged, the IPS will cut Medicare reimbursement for home health care in New Jersey by \$25 million in fiscal year 1998 alone. Several agencies in New Jersey could lose \$2 million or more in anticipated reimbursement for homebound Medicare patients.

One of the most unfair aspects of the IPS is that it seeks to treat efficient and inefficient home health agencies alike, despite the fact that average utilization rates in New Jersey's agencies—43 visits per beneficiary served in 1996—are far lower than the national average of 74 visits that year.

Because the IPS reimbursement rates for each home health care agency are linked to earlier utilization rates and costs, agencies that were efficient and honest all along still find themselves struggling to squeeze another 12 to 15 percent reduction in aggregate reimbursement rates from already lean operations—a very tall order indeed. Meanwhile, agencies in other parts of the country with abnormally high home health costs and utilization rates are permitted to use base year utilization rates that were badly inflated in the first place. Thus, they will continue to receive high reimbursement rates because they had inflated costs in the past. The IPS, therefore, effectively punishes efficient operations and does not comprehensively address the problem in areas with inordinately high home health utilization statistics.

For example, home health agencies serving senior citizens in NJ will only receive enough funding to provide as few as 30 to 35 visits per patient. Meanwhile, agencies in other parts of the country—such as Tennessee and Louisiana—may continue providing their patients with almost triple that number of visits at twice the cost per visit. Disparities of this magnitude are inherently unreasonable and unfair, and must be corrected.

There is no reason whatsoever why the senior citizens of New Jersey should receive less quality care than senior citizens of any other state. While I understand that special circumstances in other states and counties will always generate some variation in home health care usage, the disparities that are enshrined in the IPS are simply absurd. Are Louisianans and Tennesseans that much sicker or that much more frail that they need to receive 100 or more visits per person? And how can the costs of treating these patients in other states be significantly higher than New Jersey? The wage rates and cost of living indexes in many of these high utilization states are among the lowest in the entire nation. Senator JOHN BREAUX stated that in Louisiana, there are more home health care agencies than there are McDonalds restaurants. Clearly, something is amiss.

In response, our bill—which we have strived to craft in a budget neutral manner—restores fairness and equity to the Interim Payment System in the following ways:

First, our bill will protect efficient home health agencies from drastic cuts in Medicare home health reimbursement through the IPS.

Under our legislation, we provide relief from the Interim Payment System for those home health care agencies whose average cost per patient served, as well as their average number of visits per patient, are below the national average. In this manner, agencies that have been doing a good job in keeping their cost structures under control will not be punished for their own best efforts.

The second provision contained in our bill restores the per visit cost limits for home health agencies to their September 1997 levels. The reason for this change is based on an assessment that unless this change is made, it will be virtually impossible for home health agencies to reduce their average number of visits per patient, and still live within their cost limits.

The provision is a matter of basic math: if an agency is to reduce its average number of visits per patient—as HCFA demands—it must do more with each visit. However, if an agency fits more activities and services into each visit, then by definition its costs per visit are going to rise significantly. So while the number of visits per patient will fall, its costs per patient will rise to some extent, because more services are being performed in an attempt to make the most out of each home health visit.

Under our bill, home health agencies will reduce their visits per patient and still operate within realistic per visit cost limits. HCFA's per visit cost targets, upon close examination, are unrealistic and will not allow home health agencies to accomplish the goal of more efficient home care.

Lastly, our legislation will give the Secretary of Health and Human Services the flexibility to make special exceptions for home health agencies treating unusually expensive patients. Among the problems with the IPS is that as initially implemented, the IPS gives providers a perverse incentive to avoid treating critically ill, chronic, or more expensive patients. Unlike a fully implemented prospective payment system (PPS), the Interim Payment System (IPS) makes no attempt to distinguish between agencies that are simply inefficient and agencies that are treating a disproportionately sicker patient population. Our legislation creates a mechanism for financially pressed home health care agencies to address and care for unusually expensive patients.

Mr. Speaker, this legislation is balanced and carefully crafted to make improvements to the Medicare Interim Payment System. It is designed to be budget neutral. It will enable our senior citizens to continue to receive high quality, medically necessary home health care services. It also will appropriately target federal efforts to reduce waste and fraud in the Medicare program. I urge all of my colleagues to consider this legislation and support our efforts to protect the homebound Medicare patients who are now at risk.

#### HONORING THE JEWISH HERALD-VOICE

### HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. BENTSEN. Mr. Speaker, I rise to congratulate the Jewish Herald-Voice as it celebrates 90 years of uninterrupted weekly publication on April 1, 1998. Established in 1908,